COMMITTEE ON ENERGY AND COMMERCE

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AND CONSUMER PROTECTION

Congress of the United States House of Representatives

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June 30, 2020

The Honorable Alex M. Azar, II Secretary U.S. Department of Health and Human Services 200 Independence Avenue, S.W. Washington, DC 20201

Dear Secretary Azar,

I am writing regarding the extreme delay in the distribution of the \$175 billion in the Public Health and Social Services Emergency Fund (PHSSEF), the program that was created in the Coronavirus Aid, Relief, and Economic Security (CARES) Act. I urge you to immediately release the remaining funds to support our hospitals and health care providers.

Signed into law on March 27, 2020, the CARES Act provided \$100 billion to the PHSSEF to help health care providers as they lost significant amounts of revenue due to the COVID-19 pandemic. Since this was not enough to ensure providers were able to continue to care for their patients, an additional \$75 billion was provided in the Paycheck Protection Program and Health Care Enhancement Act. On June 3, 2020, the Chairs and Ranking Members of the Committees of Jurisdiction of the PHSSEF sent a letter expressing their concerns over the time it took Health and Human Services to allocate these funds. Three months after creation of the program and nearly one month after their letter, your website indicates there is still as much as \$72.6 billion that remains undistributed. This delay is completely unacceptable and extraordinarily harmful to providers and patients.

Hospital and health care providers across this country are in desperate need of these funds. Due to the lack of revenue, Community Health Centers and hospitals in Massachusetts have furloughed and reduced hours for thousands of health care workers in an effort to keep their doors open.³ In the midst of a pandemic, now is not the time for health care providers to choose between their workforce and their patients. Congress provided these funds to specifically avoid this issue.

Additionally, as hospitals and health care providers prepare themselves for the inevitable second wave of COVID-19 in just a few months, they need funds from the PHSSEF now in order to do so. Without the distribution of these funds, you will again be leaving our frontline health care workers without the necessary PPE and equipment they need because our hospitals will not have

³ https://www.wbur.org/commonhealth/2020/04/06/community-hospitals-furlough-staff-revenue-losses; https://www.bostonglobe.com/2020/04/10/metro/tracking-lay-offs-furloughs-massachusetts/



¹https://energycommerce.house.gov/sites/democrats.energycommerce.house.gov/files/documents/060320% 20Medic aid% 20Provider% 20Fund% 20Letter.pdf

² https://www.hhs.gov/sites/default/files/high-level-summary-of-payments-and-methodologies.pdf

the finances to purchase them. We have seen the devastating effects this has had already, we cannot see this again.

I urge you to immediately distribute the rest of the appropriated funds so we can ensure that patients get the care they need and providers are able to remain safe and open.

Thank you for your attention to this matter.

Sincerely,

oseph P. Kennedy, III